EXHIBIT 18

CA ban by ~~2003~~ 12/31/02
NY ban by ~~2004~~ 1/1/04
CT 10/1/2003

USGC MTBE PHASE OUT ASSESSMENT

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SCOPING OF POTENTIAL ETHANOL LEGISLATIVE PROPOSALS

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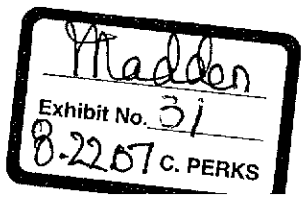

USGC MTBE PHASE OUT ASSESSMENT
KEY OUTCOMES

- MTBE removal from mogas would be costly for XOM
  - Total USGC margin impact (3 refineries) estimated at 50-100 M$/YR primarily due to octane loss
- Options to minimize/mitigate octane/margin impact of MTBE phase out identified
  - Ethanol blending, with continued oxygen mandate, reduces octane shortfall; RVP impact manageable
  - Conversion of MTBE units to isooctene would further reduce/eliminate octane shortfall
  - Ethanol/isooctene complimentary steps -- not necessarily in competition
- In all cases examined, MTBE ban without oxygenate mandate is better for XOM
- Producibility of mogas in USGC refineries can be maintained at roughly current rates with MTBE ban through ethanol/isooctene steps
- With no oxygenate or ethanol mandate, ethanol is rarely imported into the USGC gasoline blending pool in summer
- 3 vol % ethanol mandate on total corporate mogas results in USGC margin loss
  - 2 vol% ethanol mandate can probably be contained at Joliet/Torrance without major debits
- Any potential ethanol/oxygenate mandate should provide maximum flexibility (annual balancing, no specific location, etc.)

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Backup Data

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USGC MTBE PHASE OUT ASSESSMENT
BUSINESS STRATEGY STUDY APPROACH

- Assessed potential scenarios for gasoline blending.
  1. Oxygen mandate with no ether ban (Base Case).
  2. Oxygen mandate with ether ban (ethanol assumed to be the only viable oxygenate).
  3. No oxygen mandate with ether ban.

- Basis assumptions
  - Low Sulfur Mogas (30 ppm) in place.
  - Flexible raw material/product slates and unit rates.
  - 2000 COP Prices for 2005 (UR $20.3/B, Octane $0.35/OIB, RFG Premium 1.8 cpg).
  - Ethanol blending assumed to be downstream of refineries; economics evaluated using subsidized price.
  - MTBE unit conversion for Isooctene production using Snamprogetti technology.

- In a separate assessment evaluated potential scenarios for ethanol gasoline blends.
  1. Ethanol mandate of 3.3% of total corporate mogas pool, with no oxygenate mandate
  2. Oxygen mandate with different amounts of ethanol blended into mogas, volumes per tax regulations

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USGC MTBE PHASE OUT ASSESSMENT
BAYTOWN SCOPING RESULTS

Scenario	1	2				3		
	Current	Ether Ban/O2 Mandate				Ether Ban/No O2 Mandate		
	Base	No Inv./No RFG	EtOH Only	Isooctene	Alky Exp.	No Inv.	Isooctene	Alky Exp.
Mogas, kBD	249	231	236	239	243	233	240	240
% RFG	45	0	36	36	35	48	50	50
% UP	19	10	14	20	19	11	15	16
Components, kBD								
MTBE	13	--	--	--	--	--	--	--
Ethanol	--	--	5	5	5	--	--	--
Isooctene	--	--	--	6	--	--	6	--
Alkylate	33	35	36	35	47	36	35	47
Investment, $M	Base	Base	5	30	135	Base	25	130
Net Cash Margin, $M/Y								
vs Base	Base	(31)	(34)	(12)	(12)	(18)	11	10
vs No Investment	--	Base	(3)	19	19	Base	29	28
vs Lower Cost Option	--	--	(3)	22	0	--	29	(1)
Indicative DCF, %								
vs No Investment	--	--	0	45	5	--	80	15
vs Lower Cost Option	--	--	0	55	0	--	80	0
Cost vs Base, cpg	--	0.9	1.0	0.6	1.4	0.5	(0.1)	0.8

- All cases able to economically maintain base crude/cat rates and aromatics sales.
- Isooctene purchase, to increase UP producibility, breakeven price ~$31/B; toluene uneconomic/blending limited.
- Grassroots alky expansion unattractive vs isooctene; low cost alky debottleneck potentially economic.
- Ethanol price/RFG premium parity an issue.

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USGC MTBE PHASE OUT ASSESSMENT
BATON ROUGE SCOPING RESULTS

Scenario	1	2				3		
	Current	Ether Ban/O2 Mandate				Ether Ban/No O2 Mandate		
	Base	No Inv./No RFG	EtOH Only	Isooctene	Alky Exp	No Inv.	Isooctene	Alky Exp.
Mogas, kBD	220	220	220	218	224	215	214	221
% RFG	45	0	45	46	45	46	47	45
% UP	25	5	17	25	22	7	16	13
Components, kBD								
MTBE	12	--	--	--	--	--	--	--
Ethanol	--	--	5	5	5	--	--	--
Isooctene	--	--	--	6	--	--	6	--
Alkylate	35	35	35	34	45	35	34	45
Investment, $M	Base	Base	5	30	130	Base	25	125
Net Cash Margin, $M/Y								
vs Base	Base	(62)	(45)	(13)	(18)	(38)	(7)	(12)
vs No Investment	--	Base	17	49	44	Base	31	26
vs Lower Cost Option	--	--	17	32	(5)	--	31	(5)
Indicative DCF, %								
vs No Investment	--	--	100+	100+	25	--	80	15
vs Lower Cost Option	--	--	100+	85	0	--	80	0
Cost vs Base, cpg	--	1.8	1.4	0.7	1.7	1.2	0.5	1.5

- All cases able to economically maintain base crude/cat rates and aromatics sales.
- Isooctene purchase, to increase UP producibility, breakeven price ~$27/B; toluene uneconomic/blending limited.
- Grassroots alky expansion unattractive vs Isooctene; low cost alky debottleneck potentially economic.
- Ethanol price/RFG premium parity an issue.

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USGC MTBE PHASE OUT ASSESSMENT
BEAUMONT SCOPING RESULTS

Scenario	1	2				3		
	Current	Ether Ban/O2 Mandate				Ether Ban/No O2 Mandate		
	Base	No Inv./No RFG	EtOH Only	Isooctene	Alky Exp	No Inv.	Isooctene	Alky Exp
Mogas, kBD	205	208	206	206	208	211	209	212
% RFG	26	0	23	23	23	11	11	11
% UP	58	30	27	36	30	25	34	28
Components, kBD								
MTBE	14	--	--	--	--	--	--	--
Ethanol	--	--	3	3	3	--	--	--
Isooctene	--	--	--	3	--	--	3	--
Alkylate	15	15	16	14	18	15	13	18
Investment, $M	Base	Base	5	20	65	Base	15	60
Net Cash Margin, $M/Y								
vs Base	Base	(24)	(26)	(14)	(14)	(19)	(8)	(11)
vs No Investment	--	Base	(2)	10	10	Base	11	8
vs Lower Cost Option	--	--	(2)	12	0	--	11	(3)
Indicative DCF, %								
vs No Investment	--	--	0	35	5	--	50	5
vs Lower Cost Option	--	--	0	55	0	--	50	0
Cost vs Base, cpg	--	0.8	0.9	0.6	1.1	0.6	0.4	0.9

- All cases able to economically maintain base crude/cat rates and aromatics sales; mogas producibility increase by imported natural gasoline to isom unit a potential opportunity.
- Isooctene purchase, to increase UP producibility, breakeven price ~$30/B; toluene uneconomic/blending limited.
- Grassroots alky expansion unattractive vs Isooctene; low cost alky debottleneck potentially economic.
- Ethanol price/RFG premium parity an issue.

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